

1                   **METHOD AND SYSTEM FOR TRANSFERRING FUNDS**  
2                   **AND VIDEO MESSAGES**

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4                   **RELATED PATENT APPLICATION**

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6         This application is a utility application based on U. S. provisional  
7         based on U. S. provisional patent application Serial No. 60/271,919,  
8         entitled "Method and System for Transferring Funds and Video  
9         Messages," filed February 27, 2001. This related application is  
10       incorporated herein by reference and made a part of this application.  
11       Moreover, Applicants hereby incorporate herein by reference, any and  
12       all U. S. Patents, U. S. Patent Applications, and other documents and  
13       printed matter cited or referred to in this application.

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15                   **BACKGROUND OF INVENTION**

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17         The wire transfer industry has been in existence for more than 100  
18         years. During this period it has become the number one source of  
19         sending money back home for immigrants, particularly from in the  
20       United States to other countries. There are three kinds of wire transfers  
21       being performed here in the United States:

22         1- Banking Wires: used for financial needs, such as business deals,  
23         transferring of accounts, mostly high balances, only from bank to bank.

24         2- Domestic Wires: used for transferring small amounts within the  
25       United States. This service is dominated by Western Union and Money  
26       Gram. This service is usually used for college students, the military, and  
27       family members in need.

28         3- International Wire Transfer: used mostly by immigrants to send  
29       money back home. The average wire transfer amount is about \$300.00

1 US dollars.

2 For the last century the international wire transfer business has  
3 grown beyond most expectations. There are now over 300 companies  
4 that offer the service of transferring funds mainly to Mexico, Central  
5 America, and South America. Companies have searched for better and  
6 more cost effective ways to transfer funds from the United States to  
7 destinations in other countries. Costs, as well as competition, have  
8 forced competitors to look for better or different kinds of service to  
9 maintain market share. Companies through out the years have created  
10 new ways to send money and to cut the cost related to this service.  
11 "Friendly User" has been the general goal for the companies due to the  
12 fact that most of the users or senders are immigrants, and a many are  
13 illiterate and speak a different language than English.

14 Initially, the person desiring to make a wire transfer had to enter a  
15 financial institution, for example, a bank, and order a wire transfer. This  
16 made it difficult to attract customers, since the immigrants were afraid  
17 to enter a "financial institution." They thought they would be  
18 "deported." In the beginning of the last century, the major wire transfer  
19 companies, e. g. Western Union and Money Gram, "the leaders,"  
20 introduced an aggressive marketing campaign in the United States by  
21 recruiting nation-wide small "mom and pop" shops, to serve as the agent  
22 or the "Affiliated Store." This practice allowed many immigrants to feel  
23 more secure and at ease at the time of entering a "mom and pop" shop  
24 to send or receive money. These stores or shops were conveniently  
25 located, being placed strategically in neighborhoods in cities were the  
26 presence of banks were restricted or in the farming communities heavy  
27 populated by immigrants.

28 The major wire transfer companies recruited the store or shop as  
29 an agent and supply it with all the necessary products and materials to

1 perform an outgoing or incoming wire transfer. It was a success. With  
2 the years to come, more and more companies invaded the wire transfer  
3 industry seeking the opportunity to participate in the revenues  
4 generated from this type of service. The agent became more interested  
5 in offering this type of service to its customers, due to the tremendous  
6 foot traffic generated at its store location. The system was great! But  
7 something was missing. Because many of the senders were immigrants  
8 and many did not now how to speak English, even how to read or write,  
9 the industry was forced to come up with a better and faster way to send  
10 money.

11       The major wire transfer companies used, and still use in many  
12 cases. a primitive service referred to as the "Form." A customer enters a  
13 location, the Affiliated Store, and requests a form to send money. They  
14 fill out the information requested on the form and deliver it to the  
15 attendant or the storeowner. The information is then called into a main  
16 operation station, or in some cases due to the store's large volume, to a  
17 computer issued by the major wire transfer company. The information  
18 is entered and sent. The basic problem is that neither the storeowner  
19 nor the sender knew how to write the names of the beneficiaries or the  
20 cities where the money is going to be received. About 98% of all wires  
21 being performed were headed to third world countries. Although this  
22 service was obsolete, it works, and today over 1.5 million senders still  
23 utilize the Form.

24       Competitors of the major wire transfer companies immediately  
25 started to look for better and faster ways to transfer funds. They  
26 wanted to offer an easier way of sending the money at the store itself.  
27 During the last decade the "hot phone," the name given in the  
28 industry, was created. It was a phone utilized for many years in  
29 airports, catalog services, at department stores, and in many customers

1 service businesses through the United States. The phone did not have  
2 a keypad. The customer simply lifted up the headset, and though an  
3 automatic dialer, programmed by the wire transfer company, the  
4 sender at the store would be connected to the company's call center.  
5 At this call center, an operator speaking the same language as the  
6 customer, would assist the customer in performing the wire transfer.  
7 No more did the storeowner or the sender have to deal with the  
8 language barrier.

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10 SUMMARY OF INVENTION

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The present invention provides an improved wire transfer system and method to send conveniently a personal video message at the same time that a wire transfer of funds is being executed. The invention has several features. Without limiting the scope of this invention as expressed by the claims that follow, its more prominent features will now be discussed briefly. After considering this discussion, and particularly after reading the section entitled, "DETAILED DESCRIPTION," one will understand how the features of this invention provide its benefits, which include, but are not limited to, quickly and conveniently sending a video message with a wire transfer to a remote location, typically from one country to another country.

The first feature of the system of this invention is that it enables the sender to create conveniently and quickly a personalized video message when he or she is sending money to relatives, friends, and other beneficiaries at a remote destination, most likely, their native country. This novel system includes a local station where the sender initiates a transaction including recording a video message and placing an order to transfer funds to a beneficiary at a remote destination. A

1 call center takes the order and the transaction is identified, typically  
2 with a unique numerical or alpha-numerical code. This codes enables  
3 each specific transaction to be tracked to insure timely and accurate  
4 delivery of the video message and funds to the proper beneficiary. The  
5 sender calls by telephone, or otherwise notifies the beneficiary of the  
6 code, and the beneficiary provides this code to an agent at the remote  
7 destination responsible for delivering the video message and funds to  
8 the proper beneficiary. This code is necessary to redeem the video  
9 message and funds at the remote destination. A receipt, including the  
10 code, is provided at the local station for approval by the sender. In  
11 addition to the code, the receipt preferably should state the amount of  
12 the funds transferred, the exchange rate, name of the beneficiary, and  
13 the remote destination. The call center issues the receipt and typically  
14 sends a fax to the sender at the local station concurrent with  
15 transaction for the signature of the sender. A signed copy is retained  
16 by both the local agent and the sender. A copy may be transmitted, for  
17 example by fax to the call center.

18 The second feature is a telephone at the local station and  
19 recording equipment that records the video message. Preferably, an  
20 automatic dialer links the telephone to the call center. The telephone  
21 includes a conventional headset that normally is positioned to  
22 disconnect the telephone and the call center. The sender picks up the  
23 headset to manually move the headset into a call position. In this call  
24 position, a telephone call is automatically initiated by the automatic  
25 dialer, connecting the sender to the call center. Convention video  
26 recording equipment is used that includes an audio recorder that  
27 simultaneously records a voice message with the recording of the video  
28 message. Such convention video recording equipment includes a  
29 camera and a microphone that the sender accesses at the time of

1 conducting the transaction. The recording equipment is activated at  
2 the time the order is placed to record the video message of the sender,  
3 preferably after the code is provided. The duration of the visual and  
4 audio messages may be from a few seconds to a few minutes, e.g., from  
5 5 seconds to fifteen minutes. An audio or visual indicator is turned on  
6 when the recording equipment is activated. Both the visual and audio  
7 messages are preferably digitized for transmission over a computer  
8 network. In some instances it may be desirable or necessary because  
9 the remote destination cannot be link to a computer network, the video  
10 message is recorded on a tangible media such as a VCR video tape or  
11 compact disk (CD) that is sent via mail to the remote destination.

12 The third feature is that the video message is stored at a storage  
13 station for subsequent delivery to the beneficiary. A computer network  
14 links the local station to the storage station and the remote destination.  
15 This computer network may be a private network or open to the public  
16 such as the global computer network commonly referred to as the  
17 Internet or World Wide Web. This such transmission of the message or  
18 messages is low cost and convenient. The funds are transmitted in the  
19 conventional manner and, as usual, the money making benefit is on  
20 arbitrage or differential in exchange rates. For example, the operator  
21 of the system buys with United States dollars large amounts of Mexican  
22 pesos at one exchange rate and sells these pesos to a sender in the  
23 United States at a higher exchange rate, making a profit with each sale.  
24 The present invention gives the sender an added incentive to buy  
25 pesos from the operator of the system because the sender can give the  
26 beneficiary a personalized video message when the funds are delivered.

27 The fourth feature is that a local agent manages the local station  
28 and receives a commission for the transaction. Consequently, once the  
29 system is operational, very little additional costs is attributable to the

1 management of the local stations, because there are no salaries for  
2 employees at the local station. There is a computer at the local station  
3 for the control and communication, typically a conventional personal  
4 computer (PC). This computer has a memory that stores (i)  
5 information concerning the transaction, (ii) the code identifying the  
6 transaction, and (iii) the local station or agent from which a sender is  
7 conducting a transaction.

8 The fifth feature is the local station itself. This local station  
9 comprises an enclosure providing a recording zone for the sender to  
10 record the video message. This enclosure has at least one open side to  
11 provide the sender with access to the recording zone, and it includes  
12 the recording equipment and telephone. The headset of the telephone  
13 and the camera and microphone of the recording equipment are  
14 located with the recording zone in position to facilitate capturing an  
15 image of the sender and his voice message. The indicator is also in this  
16 zone so the sender is notified when the recording equipment has been  
17 activated. When the sender picks up the headset to manually move the  
18 headset into the call position, the call center instructs the sender to  
19 look at the camera, hang up the headset, and speak into the  
20 microphone. Usually a live operator is at the call center to take the call  
21 and enter data in a main server or hub concerning each specific  
22 transaction, speaking to the sender in his or her native language.  
23 Automated communication devices with voice synthesizers that  
24 generating synthesized voice prompts and a keyboard input for the  
25 sender to enter data may also be used. The computer network links  
26 the recording equipment to the storage station and transmits a  
27 recorded video message via the computer network to the storage  
28 station. The call center controls the activation of the indicator and the  
29 recording equipment.

1        This invention also includes a number of related methods where  
2    a sender sends a video message and transfers funds to a beneficiary at  
3    a remote destination. These methods are set forth in the CLAIMS and  
4    disclosed in the following the section entitled, "DETAILED  
5    DESCRIPTION."

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7                          DESCRIPTION OF DRAWINGS

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9        The preferred embodiment of this invention, illustrating all its  
10   features, will now be discussed in detail. This embodiment depicts the  
11   novel and non-obvious method and system of this invention for  
12   transferring funds and video messages as shown in the accompanying  
13   drawings, which are for illustrative purposes only. These drawings  
14   include the following figures (Figs.), with like numerals indicating like  
15   parts:

16       Fig. 1 is a schematic illustration of a portion of the system of this  
17   invention located at a local station managed by a local agent that  
18   enables the sender to make a video message that is forwarded to a  
19   beneficiary at a remote destination.

20       Fig. 2 is a schematic illustration of an array of enclosures like the  
21   one depicted in Fig. 1 used at the local station.

22       Fig. 3 is a schematic illustration of the entire system for  
23   transferring funds and a video message according to this invention.

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25                          DETAILED DESCRIPTION

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27       As depicted in Fig. 1, there is located at a local agent's store,  
28   referred to herein as the local station 11 (Figs. 1 and 3), a video  
29   recording enclosure 10 that enables a sender to order concurrently a

1 funds wire transfer and create a video message. The enclosure 10 has  
2 opposed vertical side walls 10a and 10c, a top wall 10b, and a back wall  
3 10d. A front side 10e and a bottom 10f of the enclosure are open to  
4 provide the sender with access to a recording zone 15 within the  
5 interior of enclosure 10. The enclosure 10 is mounted on a stand (not  
6 shown) and is of heavy duty, metal construction similar to public pay  
7 phones telephones. Within the enclosure 10 is a data board 17 utilized  
8 in the recording of the video and voice messages and the video data  
9 collection mechanism including a camera 12, a microphone 14, an  
10 indicator light 16, and a telephone 18, including a headset 18a  
11 normally resting in a cradle 18b. When the sender lifts the headset  
12 from the cradle 18b, an automatic dialer 20 connects the telephone 18  
13 to a call center 32, including a main server 22 (Figs. 2 and 3) that  
14 serves as a storage station for storing data concerning each individual  
15 transaction conducted. A computer 21 is located at each station 11 for  
16 control and communication purposes. One computer 21 may control a  
17 number of separate enclosures 10 located at an individual local station  
18 11 as depicted in Fig. 2.

19 The camera 12 is of digital quality, but not a zoom, in order to  
20 avoid bad recording, and it should be flush mounted against an inner  
21 surface of a wall of the enclosure 10 and is of industrial quality due to  
22 ware and tear and hard handling. The microphone 14 is flush mounted  
23 against an inner surface of a wall of the enclosure 10, and preferably of  
24 metal only. This microphone 14 preferably has a voice sensor in order  
25 to adjust volume control due to different voice pitch. The indicator  
26 light 16 is also flush mounted against an inner surface of a wall of the  
27 enclosure 10 and of heavy-duty construction in order to avoid  
28 tampering.

29 The cradle 18b for the headset 18a, also of industrial quality, is

1 attached to an inner surface of a wall of the enclosure 10 and does not  
2 have a dial pad. A dial pad is not needed, since the telephone 18 is  
3 always connected to the same phone number. The sender initiates a  
4 telephone call by removing the headset 18a from its cradle 18b. When  
5 removed from the cradle 18b, the headset 18a is automatically  
6 connected to a live operator 13 at the call center 32 by the automatic  
7 dialer 20.

8 This invention combines the existing phone service used for  
9 money transfers with modern video and data collection technology to  
10 capture the funds wire transfer and at the same time record a video  
11 message, which may be of any short duration. Thus the invention  
12 combines a regular money transfer and a video message. The video  
13 recording enclosure 10 is placed at the local agent's station 11. When  
14 the sender decides to order a video and funds wire transfer, he or she  
15 conducts the following operations:

16  
17 1- The sender enters the recording zone 15 in the enclosure 10 and  
18 picks up the headset 18a to activate the automatic dialer 20. This  
19 connects the sender to the call center 32 (Fig. 3) to conduct a live  
20 conversation with the operator 13 who takes the order for the money  
21 transfer.

22  
23 2- The operator 13 asks the sender to provide the agent's number  
24 corresponding the location of the station 11, and when multiple  
25 enclosure are at the same station 11, to identity of the enclosure. This  
26 information is needed to credit and pay a commission on the  
27 transaction to the local agent managing the local station 11 at which  
28 the transaction occurs.

1   3- Once communication is established, the operator also captures the  
2 information concerning the beneficiary, specifically the beneficiary's  
3 name and destination, and the name of the sender of the wire.  
4

5   4- Once all the necessary or desired information about the funds wire  
6 transfer has been captured, the operator 13 instructs the sender that  
7 when the indicator light 16 is activated, he or she should look in to the  
8 camera 12, hang up the headset 18a and speak into the microphone  
9 14.

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11   5- The operator activates of the camera 12 remotely from the call  
12 center 32. As shown in Fig. 2, the computer 21 is connected to the  
13 individual enclosures 10 in station 11. This computer 21 activates each  
14 of these individual enclosures when being used. Each enclosure 10 has  
15 a number or letter identifying the specific enclosure being used by the  
16 sender. Each of these numbers or letters is already imputed into the  
17 agent's record and database in the main server 22 to identify properly  
18 the individual enclosure being used by a sender.  
19

20   6- The operator presses a print button (not shown) at the call center 32  
21 to print a receipt 42 and activate a fax machine 40. This receipt 42  
22 states the amount of the funds transferred, the exchange rate, name of  
23 the beneficiary, the remote destination, and a code identifying the  
24 transaction. The code has a first portion identifying the local agent,  
25 and when required, the enclosure, a second portion identifying the  
26 remote destination, and a third portion identifying the transaction for  
27 tracking and delivery. With this action the following occurs:

28       a. The fax receipt 34 with the information about the video and  
29 wire transfer is automatically sent to the local agent at the station 11

1 where the transaction is being conducted for approval and signature by  
2 the sender and the agent. This signed faxed is then faxed to the call  
3 center 32 to confirm that the sender has deposited the funds with the  
4 local agent and the information concerning the transaction is accurate.

5 b. The code is assigned by the main server 22 to identify the  
6 origin of the video and wire transfer and the tracking of the video  
7 message and wire transfer transaction.

8 c. The camera is activated and a message with voice and video  
9 data is recorded.

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11 7- Once the video message is recorded at the local station 11, it is sent  
12 in digital format to the main server 22 by the computer 21 via a  
13 communication link such as a computer network 50. Preferably, the  
14 information concerning each individual transaction retained in the the  
15 main server 22 and storage station is filed or organized according to  
16 the final destination to which they are to be sent. Preferably, a batch  
17 of messages and funds transfer wires are sent to and stored in a remote  
18 server 41 located in the same country as the remote destination 36. All  
19 these stored messages and funds transfer wires for a given destination  
20 are sorted by each destination in the country of the destination and are  
21 forwarded at once in a batch to this destination. Typically, a  
22 D.S.L/Frame relay line connects the local station 11 to the storage  
23 station 22 and the main server 22 to the server 41. When the stored  
24 and recorded video message is subsequently sent to a final remote  
25 destination 36 (Fig. 3), an agent at this destination delivers it to the  
26 beneficiary so it can be played and also pays out the funds. The code  
27 on the receipt 42 and provided by the sender to the beneficiary,  
28 preferably along with suitable ID such as a driver's license, is used  
29 insure the funds and message is being deliver to the proper person.

1 8- In some very remote cities in Mexico, Central, and South America,  
2 their is no connection trough D.S.L /frame relay or even a phone line.  
3 In those cases the video message will be recorded on, for example, a  
4 video tape, diskette, or compact disk (C. D.) and sent via mail to the  
5 remote agent located at the intended final destination 36.

6

7 9-The beneficiary then visits the remote agent located at the intended  
8 final destination 36 and redeems the money and the video message.

9

10 Once the money and the video message are redeemed, the video  
11 message can be saved or erased at the discretion of the remote agent  
12 located at the intended final destination 36.

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#### SCOPE OF THE INVENTION

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16 The above presents a description of the best mode contemplated  
17 of carrying out the present invention, and of the manner and process  
18 of making and using it, in such full, clear, concise, and exact terms as  
19 to enable any person skilled in the art to which it pertains to make and  
20 use this invention. This invention is, however, susceptible to  
21 modifications and alternate constructions from that discussed above  
22 which are fully equivalent. Consequently, it is not the intention to  
23 limit this invention to the particular embodiment disclosed. On the  
24 contrary, the intention is to cover all modifications and alternate  
25 constructions coming within the spirit and scope of the invention as  
26 generally expressed by the following claims, which particularly point  
27 out and distinctly claim the subject matter of the invention: